

Calculation of Transfers: Stabilization Fund

June 30, 2005
(Amounts in thousands)

This statement is prepared on the statutory basis of accounting pursuant to General Laws Chapter 29, Section 5c, as amended most recently by Chapter 106 of the Acts of 2005 which superceded certain parts of the Section 5c . It presents information contained in the official books and accounting records of the Commonwealth. Financial statements supporting this calculation are presented in the Financial Section of this report.

Part 1: Undesignated fund balance / (deficit) in the operating Funds, unless specifically exempted by General Laws:

General Fund	\$ 2,258,719
Highway Fund	(850,568)
Workforce Training Fund	(4,936)
Division of Energy Resources Credit Trust Fund	-
Massachusetts Tourism Fund	10,455
Children's and Seniors' Health Care Assistance Fund	(245,914)
Consolidated undesignated fund balance / (deficit) in the operating Funds.....	\$ 1,167,756
Less: Amount carried forward to fiscal year 2006 - 0.5% of FY2005 total tax revenue per Schedule A.....	85,959
Less: Amount to be deposited in the Stabilization Fund -0.5% of FY2005 total tax revenue per Schedule A...	85,959
Net consolidated net surplus / (deficit) to be deposited into the Stabilization Fund
per Chapter 26 of the Acts of 2003, Section 164	\$ 995,838

Part 2: Transfers to the Stabilization Fund per Section 18 of Chapter 106 of the Acts of 2005:

From the General Fund	\$ 680,545
From the Highway Fund	-
From the Workforce Training Fund	-
From the Federal Medicaid Assistance Percentage Escrow Fund	-
From the Division of Energy Resources Credit Trust Fund	-
From the Massachusetts Tourism Fund	10,455
From the Children's and Seniors' Health Care Assistance Fund	-
Total transfers to the Stabilization Fund	\$ 691,000

Part 3: Status of consolidated net surplus after Stabilization Fund transfers - Undesignated Fund Balance / (deficit):

General Fund	\$ 1,406,256
Highway Fund	(850,568)
Workforce Training Fund	(4,936)
Federal Medicaid Assistance Percentage Escrow Fund	-
Division of Energy Resources Credit Trust Fund	-
Massachusetts Tourism Fund	-
Children's and Seniors' Health Care Assistance Fund	-
Consolidated net surplus after the annual transfer.....	\$ 304,838

Part 4: Transfer to Transitional Escrow Fund:

Excess to be transferred from the remaining consolidated net surplus.....	\$ 304,838
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Part 5: Fiscal 2005 Stabilization Fund activity:

Reserved for Stabilization - Balance as of June 30, 2004	\$ 1,137,320
Consolidated net surplus pursuant to Part 2, above.....	691,000
Plus: Interest income, certain tax revenues and recoveries	21,356
Plus: 0.5% of FY2005 total tax revenue per Part 1, above	85,959
Subtotal	1,935,635
Add: Temporary Holding Fund transfer.....	135,991
Less: Transfers to the General Fund.....	(343,271)
Subtotal, transfers and appropriations from the Stabilization Fund.....	(207,280)
Net transfers and appropriations from the Stabilization Fund during FY 2005.....	(207,280)
Reserved for Stabilization Fund - balance as of June 30, 2005	\$ 1,728,355